

STATE OF NEW YORK

DIVISION OF TAX APPEALS

In the Matter of the Petition	:	
	:	
of	:	
	:	
ZOHIR LAHAM	:	DETERMINATION
	:	DTA NO. 822554
for Revision of Determinations or for Refund of	:	
Sales and Use Taxes under Articles 28 and 29 of	:	
the Tax Law for the Period September 1, 2004 through	:	
February 28, 2007.	:	

Petitioner, Zohir Laham, filed a petition for revision of determinations or for refund of sales and use taxes under Articles 28 and 29 of the Tax Law for the period September 1, 2004 through February 28, 2007.

On February 17, 2009, the Division of Taxation, by its representative, Daniel Smirlock, Esq. (John E. Matthews, Esq., of counsel), filed a motion seeking dismissal of the petition or, in the alternative, summary determination in its favor pursuant to 20 NYCRR 3000.5, 3000.9(a)(1) and 3000.9(b). Accompanying the motion was the affidavit of John E. Matthews, dated February 17, 2009, and annexed exhibits supporting the motion. Petitioner's response to the motion was due by March 19, 2009 which date commenced the 90-day period for issuance of this determination.¹ After due consideration of the affidavits and documents presented by the Division of Taxation, Arthur S. Bray, Administrative Law Judge, renders the following determination.

¹Petitioner did not file a response to the motion.

ISSUE

Whether summary determination should be granted in favor of the Division of Taxation because petitioner failed to file a petition or request within 90 days of the issuance of the Notice of Determination.

FINDINGS OF FACT

1. The Division of Taxation (Division) issued to petitioner, Zohir Laham, at his Brooklyn, New York, address, the following notices of determination with the corresponding dates, periods and amounts of sales and use taxes due:

Notice #	Issue Date	Period Ended	Deficiency
L-029134711	09/04/07	08/31/04	\$11,633.03
L-029482823	12/06/07	11/30/04 - 02/28/07	\$104,930.71

By his Request for Conciliation Conference, filed May 15, 2008, petitioner protested the notices numbered L-029134711 and L-029482823, dated September 4, 2007 and December 6, 2007, respectively.

2. On June 6, 2008, the Division's Bureau of Conciliation and Mediation Services (BCMS) issued a Conciliation Order Dismissing Request to petitioner. The order determined that petitioner's protest of the subject notices was untimely and stated, in part:

The Tax Law requires that a request be filed within 90 days from the mailing date of the statutory notice. Since the notice(s) was issued on December 6, 2007 and September 4, 2007, but the request was not mailed until May 15, 2008, or in excess of 90 days, the request is late filed.

3. With its motion papers, the Division, to show proof of proper mailing of the notices dated September 4, 2007 and December 6, 2007, respectively, provided the following: (i) two

affidavits, dated February 6, 2009, of James Steven VanDerZee, the mail and supply supervisor of the staff of the Division's mail processing center; (ii) two affidavits, dated February 5, 2009, of Patricia Finn Sears, the supervisor of the control unit of the Division's Case and Resource Tracking System (CARTS); (iii) the "Certified Record for Presort Mail - Assessments Receivable" (CMR) postmarked September 4, 2009 and December 6, 2007, respectively; and (iv) petitioner's New York State personal income tax return for 2006, dated February 26, 2007, which was the last return filed before issuance of the notices.

4. The affidavits of Patricia Finn Sears set forth the Division's general practice and procedure for processing statutory notices. Ms. Sears receives from CARTS the computer-generated CMR and the corresponding notices. The notices are predated with the anticipated date of mailing. Following the Division's general practice, this date is manually changed to reflect the actual mailing date. Each notice is assigned a certified control number. The certified number of each notice is listed on a separate one-page "Mailing Cover Sheet," which also bears a bar code, the mailing address and the Departmental return address on the front and taxpayer assistance information on the back. The certified control number is also listed on the CMR under the heading entitled "Certified No." The assessment numbers are listed under the heading entitled "Reference No." The names and addresses of the recipients are listed under "Name of Addressee, Street and PO Address."

5. The affidavits of James Steven VanDerZee, the mail and supply supervisor in the Division's Mail Processing Center (Center), describe the Center's general operations and procedures. The Center receives the notices and places them in an "Outgoing Certified Mail" area. Each notice is preceded by a Mailing Cover Sheet. A staff member retrieves the notices

and operates a machine that puts each statutory notice into a windowed envelope. The staff member then weighs, seals and places postage on each envelope. The envelopes are counted and the names and certified mail numbers are verified against the CMR. A member of the Center then delivers the envelopes and the CMR to one of the various U.S. Postal Service (USPS) branches located in the Albany, New York, area. A USPS employee affixes a postmark and also places his or her signature on the CMR indicating receipt by the post office. The Center further requests that the USPS either circle the number of pieces of mail received or indicate the total number of pieces received by writing the number on the CMR.

6. Here, with respect to the mailing on September 4, 2007, page 4 of the 11-page CMR establishes that the notice with certified number 7104 1002 9730 0276 3350 and notice number L 029134711 was sent to petitioner at his Brooklyn, New York, address. A review of the CMR submitted by the Division confirms that a USPS employee affixed a dated postmark and initials on each of the 11 pages of the CMR. On the final page, corresponding to "Total Pieces and Amounts," is the printed number 117. To the lower left of this number is a handwritten number 117. Adjacent to the number is a stamp which directed the post office to write the total number of pieces and initial confirming that all notices were received. The USPS postmark is from the Colonie Center branch and bears the date of September 4, 2007, confirming that the notices were mailed on that date. Handwritten initials appear next to the stamp.

7. With respect to the mailing on December 6, 2007, page 23 of the 53 page CMR establishes that the notice with certified number 7104 1002 9730 0518 4350 and notice number L 029482823 was sent to petitioner at his Brooklyn, New York, address. A review of the CMR submitted by the Division confirms that a USPS employee affixed a dated postmark on each of

the 53 pages of the CMR. On the final page, corresponding to “Total Pieces and Amounts,” is the printed number 579. To the lower left of this number is a handwritten number 579 and initials. Adjacent to the number is a stamp which directed the post office to write the total number of pieces and initial confirming that all notices were received. The USPS postmark is from the Troy, New York, branch and bears the date of December 6, 2007, confirming that the notices were mailed on that date.

8. Petitioner’s Brooklyn, New York, address on the CMR, Mailing Cover Sheets, notices and petition matches the address listed on his New York State personal income tax return, form IT-201, for 2006. This is the last item that petitioner filed with the Division before the issuance of the subject notices of determination.

CONCLUSIONS OF LAW

A. A motion for summary determination shall be granted:

if, upon all papers and proof submitted, the administrative law judge finds that it has been established sufficiently that no material and triable issue of fact is presented and that the administrative law judge can, therefore, as a matter of law, issue a determination in favor of any party (20 NYCRR 3000.9[b][1]).

B. Here, petitioner did not respond to the Division’s motion and, therefore, has conceded that no question of fact requiring a hearing exists (*see Kuehne & Nagel v. Baiden*, 36 NY2d 539, 544, 369 NYS2d 667, 671 [1975]; *Costello v. Standard Metals*, 99 AD2d 227, 472 NYS2d 325 [1984], *appeal dismissed* 62 NY2d 942 [1984]). Moreover, petitioner has submitted no evidence to contest the facts alleged by the VanDerZee and Sears affidavits; consequently, those facts may be deemed admitted. Accordingly, summary determination may be granted in this matter, and the Division’s motion will be granted for the reasons discussed below.

C. Where the timeliness of a petition or Request for Conciliation Conference is at issue, as it is here, the initial inquiry is whether the Division has carried its burden of demonstrating proper mailing to petitioner's last known address (Tax Law § 1147[a][1]; *see Matter of Katz*, Tax Appeals Tribunal, November 14, 1991; *Matter of Novar TV & Air Conditioner Sales & Serv.*, Tax Appeals Tribunal, May 23, 1991). To prove the fact and the date of mailing of the subject notice, the Division must make the following showing:

first, there must be proof of a standard procedure used by the Division for the issuance of the statutory notice by one with knowledge of the relevant procedures; and, second, there must be proof that the standard procedure was followed in the particular instance in question (*Matter of United Water New York, Inc.*, Tax Appeals Tribunal, April 1, 2004; *see Matter of Katz*)

Additionally, Tax Law § 1138(a)(1) requires that the Notice of Determination "shall be mailed by certified or registered mail to the person or persons liable for the collection or payment of the tax at his last known address in or out of this state."

D. Here, the Division has offered proof sufficient to establish the mailing of the statutory notices on the same date that they were dated, i.e., September 4, 2007 and December 6, 2007, to petitioner's last known address. The affidavits submitted by the Division adequately describe the Division's general mailing procedure as well as the relevant mailing record and thereby establish that the general mailing procedure was followed in this case (*see Matter of Deweese*, Tax Appeals Tribunal, June 20, 2002). Further, the address on the mailing cover sheets and CMR conforms with the form IT-201 for 2006, which satisfies the "last known address" requirement in Tax Law § 1138(a)(1). It is concluded that the notices were properly mailed and thus, the statutory 90-day time limit to file either a Request for Conciliation Conference with BCMS or a

petition with the Division of Tax Appeals commenced on September 4, 2007 and December 6, 2007, respectively (Tax Law § 170[3-a][a]; § 1138[a][1]).

E. Petitioner's Request for Conciliation Conference was mailed on May 15, 2008 a date well beyond the 90-day period for protesting the notices. Consequently, the Division of Tax Appeals has no jurisdiction over this matter (*see Matter of Rotondi Industries Corp.*, Tax Appeals Tribunal, July 6, 2006) and must grant summary determination in favor of the Division of Taxation.

F. Finally, it is observed that petitioner is not entirely without recourse. That is, petitioner may pay the tax assessment and file a claim for refund (Tax Law § 1139[c]). If the refund claim is disallowed, he may then request a conciliation conference or file a petition with the Division of Tax Appeals in order to contest such disallowance (Tax Law § 170[3-a][a]; § 1139).

G. The Division's motion for summary determination is granted, and the petition of Zohir Laham is dismissed.

DATED: Troy, New York
June 18, 2009

/s/ Arthur S. Bray
ADMINISTRATIVE LAW JUDGE